

General Reporting Instructions for Holders of Unclaimed Property



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California State Controller

**FOR UNCLAIMED PROPERTY REPORTS
DUE BEFORE NOVEMBER 1, 2008**

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Introduction

The State of California's Unclaimed Property Law (Code of Civil Procedure, Section 1500 et seq.) requires organizations to review their records annually to determine if they are holding any funds, securities, or other property that has been unclaimed for the required dormancy period. "Holders" include business associations, banking and financial organizations, life insurance corporations, and others holding property belonging to another person. The law requires these holders to report such unclaimed property to the State Controller's Office (SCO).

The SCO accepts the Standard NAUPA II format, which is the national standard for reporting unclaimed property to the states. **The CA NAUPA II and the CA Magnetic Media (Diskette Reporting Program) formats will only be accepted for life insurance companies through the December 1-15 remit reporting cycle. *The SCO recommends that all holders use the Standard NAUPA II format.*** The SCO also urges all holders to submit reports in an electronic format to expedite processing and to ensure accurate processing of the reported information. All paper reports submitted that include 50 or more properties will be returned to the holder to submit in an electronic format as prescribed by the SCO. For free unclaimed property reporting software, please see the [National Association of Unclaimed Property Administrators \(NAUPA\) Web site](#).

This user's guide is not intended to be the sole source of information regarding the holder's legal obligations under the Unclaimed Property Law. Each organization should review the entire law to ensure that it meets all reporting requirements. Review of the law should be ongoing, as revisions to the statutes may cause changes in reporting requirements.

To ensure complete, accurate, and timely reporting of unclaimed property, this user's guide and all related materials should be forwarded to the person(s) in the organization responsible for the preparation of unclaimed property reports. It should be noted that, when the reports are prepared by a reporting service, quality and accuracy remain the responsibility of the organization for whom the report is prepared.

The SCO is committed to making reporting requirements as simple as possible for the holder community. Unclaimed Property forms, reporting instructions, laws, and regulations are available at the SCO's web site at www.sco.ca.gov. Please continue to check the SCO's web site for further updates. If you have any questions, please call the Unclaimed Property Reporting Unit at (916) 464-6284 or e-mail ucpreporting@sco.ca.gov.

Special Reporting Instructions

The State has enacted reporting changes as a result of the passage of Senate Bill 86. This bill was passed in compliance with a federal court preliminary injunction that required the State to modify its notice practices. A summary of reporting requirements under this new law is as follows:

Overview

- Holders are required to file a report without remittance before November 1, 2008, or before May 1, 2009 for life insurance companies.
- Holders must not close owner's accounts nor transfer property into a holder account prior to the report due date.
- The SCO is required to send a notice to all owners included on these reports with a property value of \$50 or more within 165 days. The notice will alert the owner that property in possession of the holder will be transferred to the state unless the owner contacts the holder regarding the property.
- Holders are required to file a report and remit property to the SCO between June 1 and June 15, 2009, or between December 1 and December 15, 2008 for life insurance companies (pertaining to May 2008 Notice Reports). The SCO will make arrangements to collect safe deposit boxes at a later date.

Holder Due Diligence – The holder's responsibility to notify owners of their property six to twelve months before the property becomes reportable or transferable is still in effect. (Reference Code of Civil Procedure (CCP) sections 1513.5, 1516(d) and 1520(b)). There are no changes to this requirement. See our [Holder Due Diligence Sample Letter](#).

Holder Notice Report – A Notice Report (*without* property remittance) shall be filed before November 1, 2008, and before May 1, 2009 for life insurance companies.

- a) **Do not remit** any property with the Holder Notice Report due before November 1 (or before May 1 for life insurance companies).
- b) **Report Format** - Reports must be submitted in one of the following formats:
 1. [Standard NAUPA II](#)
 - [FREE Reporting Software available at www.unclaimed.org](#)
 2. [Paper \(If Reporting Fewer Than 50 Properties Only\)](#)

EXCEPTION FOR LIFE INSURANCE COMPANIES: In addition to the above two formats, the following will be accepted for the life insurance companies through the December 1-15, 2008 remit reporting cycle ONLY.

3. [CA NAUPA II](#)
4. [CA Magnetic Media](#)
5. [Diskette Reporting Program](#)

- c) **Owner Information** - Previous requirements will remain in effect. List all known owner and property information (as prescribed by the SCO), such as **owner name, Social Security number, last known address, property type, property amount, and date of last contact by the owner.**
- d) **Holder Contact Information (all formats):**
 - i. **First Holder Contact** – The SCO will use the first holder contact information to contact the holder with questions regarding the report.
 - ii. **Second Holder Contact** – The SCO will use the second holder contact information as a property owner contact so that the property owner may contact the holder about their property. The SCO is required to send a notice to all property owners with accounts valued at \$50 or more prior to the transfer of property from the holder to the SCO. The SCO prints the contact information on the notice sent to owners. The owners will be instructed to contact the holder regarding their property to prevent the transfer to the SCO. If the holder provides only one contact, it will be used for both purposes.
- e) **Submit required UCP forms** for reporting unclaimed property. A hard copy of the UFS-1 (Rev. 01/08) is required for each report. This form has been modified to include holder contact information for property owners and agent contact information.

Holder Remit Report – A Holder Remit Report shall be filed with the remittance and delivery of the property as follows:

- a) **Due Dates** - The Holder Remit Report along with the delivery or remittance of all remaining unclaimed property is due no sooner than June 1, 2009, and no later than June 15, 2009, or for life insurance companies, no sooner than December 1, 2008, and no later than December 15, 2008 (pertaining to May 2008 Notice Reports).
- b) **Report Format** – Reports must be submitted in one of the following formats:
 - 1. Standard NAUPA II
 - FREE Reporting Software available at www.unclaimed.org
 - 2. Paper (If Reporting Fewer Than 50 Properties Only)

EXCEPTION FOR LIFE INSURANCE COMPANIES: In addition to the above two formats, the following will be accepted for the life insurance companies through the December 1-15, 2008 remit reporting cycle **ONLY**.

- 3. CA NAUPA II
 - 4. CA Magnetic Media
 - 5. Diskette Reporting Program
- c) **Owner Information** - Previous requirements will remain in effect. List all known owner and property information (as prescribed by the SCO), such as **owner name, Social Security number, last known address, property type, property amount, and date of last contact by the owner.**

- d) ***Holder Contact Information*** – The SCO will use the first holder contact information to contact the holder with questions regarding the report. A second holder contact is not required on the Holder Remit Report.

- e) ***Required Forms*** – A hard copy of the UFS-1 form (Rev. 01/08) is required with every report. Please note that this form has been modified to include an affirmation stating that all accounts reported on the Holder Notice Report that are not reported on the Holder Remit Report are omitted because the property is no longer considered unclaimed due to owner contact or return of the property to the owner. The SS-1 form (Rev. 01/08) is required for all reports that include securities that are being reported and remitted.

- f) ***Accounts Included on the Holder Notice Report that Are No Longer Unclaimed***– For owner accounts that were reported on the Holder Notice Report that are no longer unclaimed because of owner contact prior to the due date of the holder Remit Report, the holder shall follow the instructions for the specific format in which they are reporting. For Standard NAUPA II or Paper formats, the holder may either exclude the owner accounts from the report entirely, or may include the owner accounts on the report with an appropriate pay or deletion type code and show the property remitted amount as zero. For all other formats, to be used by life insurance companies only, the holder will exclude the owner accounts from the report. Please note that the holder will be signing an affirmation on the UFS-1 form (Rev. 01/08) to verify that all accounts that were reported on the Holder Notice Report, but not included on the Holder Remit Report are omitted because the property is no longer considered unclaimed due to owner contact or return of the property to the owner.

- g) ***New Accounts not Included on the Holder Notice Report*** – If the holder identifies accounts that were not included on the original Holder Notice Report, the holder must not include those owner accounts on the Holder Remit Report. California law requires that before unclaimed property can be transferred to the state, the SCO must send a notice to the owner to give them the opportunity to claim their property from the holder before it is transferred. Therefore, any new properties identified that were not included on the Holder Notice Report should be reported on a separate Supplemental Holder Notice Report and not included on the Holder Remit Report. For reports received after January 31, the Holder Remit Report due date will be no less than seven months nor more than seven and a half months after the date the Notice Report is filed.

Holder Assistance

Contact Information:

Visit our Web site:	www.sco.ca.gov
Inquire via e-mail	ucpreporting@sco.ca.gov
General Reporting Inquiries	(916) 464-6284
Compliance Unit	(916) 464-6088
Remitting Securities	(916) 464-6244
Electronic Funds Transfer Unit (\$20,000 or more must be remitted via EFT)	(916) 464-6220
Claims Research	(800) 992-4647

Mailing Address:

Mail report to:

Office of State Controller John Chiang
Unclaimed Property Division
P.O. Box 942850
Sacramento, California 94250-5873

For courier delivery services, use the following street address:

State Controller's Office
Unclaimed Property Division
10600 White Rock Road
Rancho Cordova, CA 95670

General Instructions for Reporting Unclaimed Property

Who Must Report

Holders of Unclaimed Property include business associations, banking and financial organization, life insurance corporations, and other entities holding property belonging to another person. Holders are required to review their records each year to determine if they hold any property, whether tangible or intangible, that has remained unclaimed for the required dormancy period.

Property must be reported to the State Controller if conditions for escheat as stated in CCP Sections 1513 through 1521 exist, and if:

- The last known address of the owner is in California; or
- There is no address for the owner in the holder's records or the owner is unknown, and the holder is domiciled in California; or
- The last known address of the owner is in a state that does not provide by law for escheat of such property; or
- The last known address of the owner is in a foreign country; and
- The holder is domiciled in California; or the holder is a government subdivision or agency of California.

Importance of Reporting Complete Owner Information

The importance of holders providing accurate and *complete owner information* is critical to the State Controller's Office outreach efforts, and to its commitment and responsibility to reunite owners with their property.

“Owner(s)” are defined as any person(s) having a legal or equitable interest to the property.

“Business Owner(s) Accounts” are accounts owned by individual owners, partnerships, or corporations.

Each holder is responsible for providing complete and accurate owner information relating to accounts being turned over to the State. The reported information should include the following specific data:

Owner Accounts should include:

- First and last name
- Social Security number
- Last known address
- Account number on record
- Property amount and type
- Date of last contact

Business owner accounts should include:

- The complete business name
- Tax identification number
- Last known address
- Account number on record
- Date of last contact

What Must Be Reported

Unclaimed property that must be reported includes, but is not limited to, the following:

- Life insurance policy proceeds
- Money orders
- Travelers checks,
- Safe-deposit box contents
- Intangible interest (stock), dividends
- Bond principal and interest
- Variety of intangible personal property.

Life Insurance Policy Proceeds

A holder must report all funds held and owing by a life insurance corporation under any life or endowment insurance policy or annuity contract that has matured or terminated, when such funds have remained unclaimed for more than three consecutive years after becoming due and payable. A policy is deemed matured if the insured had attained the limiting age under the mortality table on which the reserve is based. Interest, dividends, or other amounts earned must be reported and remitted along with the funds due on such policies.

Law reference: CCP Section 1515, Escheat Period: 3 Years

Holder Notice Report Due Date: 04/30/08 “As of Date”: 12/31/07

Holder Remit Report Due Date: December 1-15, 2008 “As of Date”: 12/31/07

Date of Last Contact Range (DLC): Between 01/01/04 and 12/31/04

Money Orders

Any sum payable on a money order issued by a business association (including banking or financial organization) must be reported if:

- more than seven years have elapsed from the date it was payable, or
- if payable on demand, more than seven years have elapsed from the date of its issuance.

This includes any reasonable service charges that may lawfully be withheld (not to exceed \$0.25 per month or the aggregate amount of \$21.00).

Law reference: CCP Section 1513(e), Escheat Period: 7 Years

Holder Notice Report Due Date: 10/31/08 “As of Date”: either 06/30/08 or fiscal-year end next preceding.

Holder Remit Report Due Date: June 1-15, 2009 “As of Date”: either 06/30/08 or fiscal-year end next preceding.

Date of Last Contact Range (DLC):

If “as of date” is 06/30/08 then DLC is between 07/01/00 and 06/30/01 OR

If “as of date” is 12/31/07 then DLC is between 01/01/00 and 12/31/00

Travelers’ Checks

Any sum payable on a travelers’ check issued by (not through) the organization and outstanding for more than 15 years must be reported.

Law reference: CCP Section 1513(c), Escheat Period: 15 Years

Holder Notice Report Due Date: 10/31/08 “As of Date”: either 06/30/08 or fiscal-year end next preceding.

Holder Remit Report Due Date: June 1-15, 2009 “As of Date”: either 06/30/08 or fiscal-year end next preceding.

Date of Last Contact Range (DLC):

If “as of date” is 06/30/08 then DLC is between 07/01/92 and 06/30/93 OR

If “as of date” is 12/31/07 then DLC is between 01/01/92 and 12/31/92

Safe Deposit Box or Safekeeping Repository

Holders of unclaimed contents of a safe deposit box or safe keeping repository must report property that has been unclaimed by the owner for 3 years from the date on which the lease or rental period of the box or safe keeping repository expired, or from the date of termination of any agreement because of which the box or any other repository was furnished to the owner without cost, whichever occurs last (CCP 1514).

All contents within the safe deposit box or safe keeping repository must be reported. Holders should not file a safe deposit report if the safe deposit box or safe keeping repository is empty.

List the contents of the safe deposit boxes and safekeeping repositories on the inventory sheet (for example, money, jewelry, tableware, stock certificates, bonds, deeds, and wills). Attach one copy of the inventory sheet to correspond with the owner’s name and the identifying number and/or safe-deposit box number. Legible reproductions of inventories already prepared are acceptable. ***The inventory sheet is required with the Holder Remit Report and is not required with the Holder Notice Report.***

Holders are to maintain the reported contents until contacted by the California State Controller's Office with delivery instructions. Delivery instructions will be provided at a later date.

Questions regarding the remitting process may be directed to the Unclaimed Property Division's Safe Deposit Box Unit, at (916) 323-2839.

Law reference: CCP Section 1520, Escheat Period: 3 Years

Holder Notice Report Due Date: 10/31/08 "As of Date": either 06/30/08 or fiscal-year end next preceding.

Holder Remit Report Due Date: June 1-15, 2009 "As of Date": either 06/30/08 or fiscal-year end next preceding. Please note that the SCO will make arrangements for delivery of safe deposit boxes at a later date.

Date of Last Contact Range (DLC):

If "as of date" is 06/30/08 then DLC is between 07/01/04 and 06/30/05 OR

If "as of date" is 12/31/07 then DLC is between 01/01/04 and 12/31/04

Intangible Interest (Stock), Dividends, Bond Interest and Principal

Any dividend, profit, distribution, interest, payment on principal, or other sum held for or owed to a shareholder, certificate holder, bond holder, other security holder, or a participating patron of a cooperative, who has not claimed it or corresponded in writing with the holder or the holder's transfer agent concerning that property within three years, escheats to the State.

Any intangible interest in a business association, as evidenced by the stock records or membership records of the association, escheats to the State if the interest is owned by another person who has neither claimed a dividend or other sum nor corresponded in writing with the holder within three years.

When stock or other security escheat, any dividend or other distribution attached to the stock or security escheats at the same time.

In the case of unclaimed intangible interest (stock) or dividend, the issuing corporation is deemed to be the holder. The stocks referred to herein are those of record belonging to the shareholder, whether or not a certificate has been issued to, or is in the hands of, the shareholder or holder.

Un-exchanged stock, unclaimed cash in lieu of fractional shares, or unclaimed cash held for the redemption of stock resulting from the merger, consolidation, acquisition, or similar event escheats beginning with the date on which the prior corporation lost contact with the owner and not the date of merger, consolidation, acquisition, or similar event.

Law reference: CCP Section 1516, Escheat Period: 3 Years

Holder Notice Report Due Date: 10/31/08 “As of Date”: either 06/30/08 or fiscal-year end next preceding.

Holder Remit Report Due Date: June 1-15, 2009 “As of Date”: either 06/30/08 or fiscal-year end next preceding.

Date of Last Contact Range (DLC):

If “as of date” is 06/30/08 then DLC is between 07/01/04 and 06/30/05 OR

If “as of date” is 12/31/07 then DLC is between 01/01/04 and 12/31/04

Gift Certificates

Any gift certificate that has an expiration date and that is given in exchange for money or any other thing of value is reportable. Section 1520 does not apply to gift certificates subject to Title 1.4A (commencing with Section 1749.45) of Part 4 of Division 3 of the Civil Code.

Law reference: CCP Section 1520.5, Escheat Period: 3 Years

Holder Notice Report Due Date: 10/31/08 “As of Date”: either 06/30/08 or fiscal-year end next preceding.

Holder Remit Report Due Date: June 1-15, 2009 “As of Date”: either 06/30/08 or fiscal-year end next preceding.

Date of Last Contact Range (DLC):

If “as of date” is 06/30/08 then DLC is between 07/01/04 and 06/30/05 OR

If “as of date” is 12/31/07 then DLC is between 01/01/04 and 12/31/04

Property Held by a Business Association

The following property held or owing by a business association escheats to the State:

- Demand, savings, and matured time deposits, and accounts subject to a negotiable order of withdrawal that are unclaimed for more than three years. No banking or financial institution may discontinue interest or dividends on any savings deposit because of inactivity. (CCP Section 1513(a)(b))
- Drafts, certified checks, cashier’s checks, and sums payable on any other written instrument for which a banking or financial organization is directly liable, when these instruments are outstanding for more than three years. (CCP Section 1513(d))

- Any funds held in an individual retirement account when the owner has not accepted payment of principal or income, increased or decreased the principal, or corresponded in writing or otherwise indicated an interest for more than three years after the funds became payable or distributable. (CCP Section 1513(f))
- Wages, salaries, commissions, and similar items held or owing in the ordinary course of the holder's business that remain unclaimed by the owner for more than one year after becoming payable. (CCP Section 1513 (g))
- All intangible personal property held or owing in the ordinary course of the holder's business that remains unclaimed by the owner for more than three consecutive years after becoming payable. (CCP Section 1520(a))

Voluntary or Involuntary Dissolution or Liquidation of Property

All tangible or intangible property distributable in the course of a voluntary or involuntary dissolution or liquidation of a business association, that is unclaimed by the owner within six months after the date of final distribution or liquidation, escheats to the State. (CCP Section 1517)

Property of insurers or other persons brought under Article 14 (commencing with Section 1010) of Chapter 1 of Part 2 of Division 1 of the Insurance Code, which is unclaimed by the owner after six months of the date of final distribution, shall be transferred to the Department of Insurance, with any proceeds from the sale of property and other funds to be deposited in the Insurance Fund for expenditure as provided in Section 12937 of the Insurance Code.

Holder Due Diligence Notification

Holders are required to send notices to owners with property value of fifty dollars (\$50) or more prior to reporting accounts to the SCO. The notice must clearly state that the property will escheat to the State if a timely response to the notification is not received. **The notice must be mailed to the owner's last known address not less than 6 months nor more than 12 months before the property becomes reportable or transferable.**

Holders can reference CCP Sections 1513.5, 1516(d) and 1520(b) for the complete requirements for notifying owners of unclaimed property. Holders can also refer to the SCO web site www.sco.ca.gov for a [sample due diligence notification letter](#).

Holder Report Due Dates

The Unclaimed Property Holder Notice Report is due before November 1 for businesses and organizations, and before May 1 for life insurance companies. This report should be submitted ***without remitting or delivering property***. The Holder Remit Report is due between June 1 and June 15, 2009, or between December 1 and December 15, 2008 for life insurance companies. The Remit Report should be submitted in the same format as the Notice Report and must include remittance and delivery of all cash and/or security properties that remain unclaimed at the time the Remit Report is due. The SCO will make arrangements to collect safe deposit boxes at a later date.

Annual Report “as of ” Dates and Due Dates

The “as of ” date must be either June 30 or the date of the holder’s fiscal year-end. If the “as of” date falls between January 1 and June 30, the Holder Notice Report is due before November 1 of the same year. If the “as of” date falls between July 1 and December 31, the Holder Notice Report is due before November 1 of the following year. For life insurance companies and all insurance corporations, demutualization or reorganization proceeds, Holder Notice Reports are due before May 1. (CCP Section 1530(d))

Property Reportable in the Normal Course of Business

AS OF	Notice Report Due Date	Remit Report Due Date
Between July 1, 2007 and December 31, 2007	October 31, 2008	June 1-15, 2009
Between January 1, 2008 and June 30, 2008	October 31, 2008	June 1-15, 2009
Between July 1, 2008 and December 31, 2008	October 31, 2009	June 1-15, 2010

Property Reportable by a Life Insurance Company

AS OF	Notice Report Due Date	Remit Report Due Date
Business Year-End December 31, 2007	April 30, 2008	December 1-15, 2008
Business Year-End December 31, 2008	April 30, 2009	December 1-15, 2009

Property Reportable in the Course of a Demutualization or Related Reorganization of an Insurance Company

AS OF	Notice Report Due Date	Remit Report Due Date
Property applicable to CCP 1515.5	April 30, 2008	December 1-15, 2008

Note: If April 30, October 31, June 15 or December 15 falls on a Saturday, Sunday, or state recognized holiday, the due date is the next business day.

Demutualization Reports

The demutualization Holder Notice Report must be filed before May 1, 2008. The “as of” date should be December 31, 2007. The Holder Remit Report is due no sooner than December 1, 2008 and no later than December 15, 2008.

The property is deemed abandoned:

- On the date of demutualization or reorganization, if the instruments or statements reflecting the distribution are not mailed to the owner because the address on the books and records for the holder is known to be incorrect.
- Two years after the date of demutualization or reorganization, if the instruments or statements reflecting the distribution are mailed to the

owner and returned by the post office as undeliverable and the owner has not communicated in writing with the holder or its agent regarding the property, or by other means communicated with the holder or its agent regarding the property, as evidenced by a memorandum or other record on file with the holder or its agent.

- Three years after the date of the demutualization or reorganization, if the instruments or statements reflecting the distribution are mailed to the owner and not returned by the post office as undeliverable and the owner has not communicated in writing with the holder or its agent regarding the property, or by other means communicated with the holder or its agent regarding the property, as evidenced by a memorandum or other record on file with the holder or its agent.

Form Requirements for Demutualization Reports

The UFS-1 form must be completed and attached to the report. The following special instructions apply to reports that include unclaimed proceeds from the demutualization of an insurance company:

- Place the word DEMUTUALIZATION after the name of the company in Section B
- Complete Section H of the UFS-1 as follows:
 1. check the appropriate box for reporting demutualized property
 2. provide the date of the demutualization, and
 3. select appropriate escheat criterion for properties payable.

Extension Requests

All extension requests must be submitted in writing on the proper Extension Request Form no later than 30 days prior to the original due date. Holders must provide a detailed description as to why they are unable to complete their report on time and include measures taken to meet the original due date.

Late Filing

Holders who report after the deadline for the Holder Notice Report or Holder Remit Report and have not obtained an extension will be assessed for appropriate interest charges. Holders can reference CCP Section 1577 for more information.

For all report formats, the SCO will use the first holder contact information to contact the holder with questions regarding the report. The SCO will provide the second holder contact information on the notices sent to property owners so that they may claim or reactivate their account(s) reported on the Notice Report with the holder and prevent the transfer of the property to the SCO. If the holder provides only one contact, it will be used for both purposes.

Holder Contact

For all report formats, the SCO will use the first holder contact information to contact the holder with questions regarding the report. The SCO will provide the second holder contact information on the notices sent to property owners so that they may claim or reactivate their account(s) reported on the Notice Report with the holder and prevent the transfer of the property to the SCO. If the holder provides only one contact, it will be used for both purposes.

Report Formats

All reports must be submitted in one of the following formats:

1. [Standard NAUPA II](#)
 - FREE Reporting Software available at www.unclaimed.org
2. [Paper \(If Reporting Fewer Than 50 Properties Only\)](#)

EXCEPTION FOR LIFE INSURANCE COMPANIES: In addition to the above two formats, the following will be accepted for the life insurance companies through the December 1-15 remit reporting cycle only.

3. [CA NAUPA II](#)
4. [CA Magnetic Media](#)
5. [Diskette Reporting Program](#)

Holders are strongly encouraged to use an electronic format for all reports. ***The SCO recommends the Standard NAUPA II format, as other formats will only be accepted for life insurance companies through the December 1-15, 2008 remit reporting cycle.*** Paper reports submitted that include 50 or more properties will be returned to the holder to submit in an electronic format as prescribed by the SCO. Please note that the Holder Notice Report and the Holder Remit Report must be submitted in the same format. For free unclaimed property reporting software, please see the [National Association of Unclaimed Property Administrators' \(NAUPA\) Web site](#). Electronic reports should be submitted on either CD or diskette.

Reporting Software

Free reporting software that complies with the recommended format (Standard NAUPA II) is available through the [National Association of Unclaimed Property Administrators' \(NAUPA\) Web site](#). Please note that the Diskette Reporting Program (DRP) previously provided by the SCO is no longer supported and will not be accepted for reports that are due for the “prior to November 1” report period in 2008 and any subsequent report period.

Failure to Provide Properly Formatted Reports

The SCO will return to the holder any incorrectly formatted reports. It is the holder's responsibility to submit a report in the format prescribed by the SCO. Failure to do so may result in an assessment of fines, as stated in CCP Section 1576(a):

Any person who willfully fails to render any report or perform other duties, including use of the report format described in Section CCP 1530, required under this chapter shall be punished by a fine of one hundred dollars (\$100) for each day such report is withheld or such duty is not performed, but not more than ten thousand dollars (\$10,000).

Blocked Accounts

In the case of blocked accounts, approval from the court of jurisdiction is required before the account may be paid or delivered to the SCO.

Statute of Limitations

A statute of limitations does not prevent the escheat of any property otherwise escheatable to the State. (CCP Section 1570).

Property Remittance

California has changed their reporting process to a two-report system. The Holder Notice Report is due annually prior to November 1 (or May 1 for life insurance companies). This report will include a complete listing of those properties currently reportable, ***but will not include remittance of the properties at that time.*** Using the owner contact information listed on this report, the SCO will send notices to the owners with property valued at \$50 or more within 165 days after the due dates of the reports. These notices will direct owners to the holders to recover their property.

The second report, the Holder Remit Report, is due between June 1 and June 15 of the following year (or December 1 through December 15 of the same year for life insurance companies). Holders will remit any remaining unclaimed property at that time.

Remitting Money

Payment of unclaimed cash in the amount of \$20,000 or more shall be made by electronic funds transfer, pursuant to CCP Section 1532. Failure to make payment by electronic funds transfer when required will result in the assessment of a 2% penalty.

- Holders may remit by Automated Clearinghouse (ACH) Debit, ACH Credit, Fedwire, or International Funds Transfer.
- Holders required to remit unclaimed property payments of \$20,000 or more by electronic funds transfer may use Fedwire without submitting prior justification for approval by the Controller's Office.

Holders may access the [Electronic Funds Transfer Information Guide](#) on the Internet at www.sco.ca.gov or obtain a copy from the Unclaimed Property's EFT Unit at (916) 464-6220.

When a holder is required to remit unclaimed cash totaling less than \$20,000, a check payable to the California State Controller or an electronic fund transfer may be remitted.

Note: A holder escheating unclaimed cash via multiple checks for the same business association (same federal employer identification number) will be assessed a penalty if the total of all the checks exceeds \$20,000 (CCP 1532).

Holders who submit multiple reports must also provide a list with each holder's name and the amount remitted. A copy of the electronic transfer receipt or check should be attached to the UFS-1 form (Rev. 01/08).

Remitting Securities

When securities are escheated, the holder shall re-register the securities in the name of the State Controller, State of California. The securities shall be delivered to the State Controller's Office (SCO) either in a duplicate certificate or via electronic transfer in an account with the SCO's contracted broker via Depository Trust Company (DTC). SCO has determined that a DTC transfer is the most efficient method to deliver unclaimed securities.

SCO requires remitters of unclaimed property to provide a list of issues using the Securities Summary form (SS-1, Rev 01/08). This form can be found by going to: <http://www.sco.ca.gov/col/ucp/forms/ss-1.xls> and must accompany the report. In addition, if securities are being delivered electronically, remitters are also required to e-mail the SS-1 form to the SCO at ucpdcss1@sco.ca.gov and to the SCO broker at calif.statemail@wachoviassec.com at least 48 hours prior to transfer. ***The SCO broker will reject the security transfer without proper notification.*** The transfer must take place within seven days of the email notification to the SCO's broker. For any transfer not completed within the seven-day period, a new SS-1 form must be submitted, listing only those securities not previously transferred. When submitting the unclaimed property Holder Remit Report, include a copy of form SS-1 with the DTC receipt confirmations. Please note, the SS-1 is not required when submitting the Holder Notice Report. Do not submit securities via DTC *and* Certificate for the same CUSIP.

Include the following information on the SS-1 form:

- Holder Name
- Holder FEIN
- Remitter Name
- Contact Name
- Contact Phone
- Contact E-mail
- Report ID Number (provided by SCO)

In the issue detail of the SS-1 form, provide the following information:

- CUSIP No.
- Security Name
- Security Type
- Security Series
- Number of Shares

If remitting via DTC, securities should be sent to:

FIRST CLEARING, LLC
DTC #0141
Account #7480-7928

Include report ID number (provided by SCO) in comment field.

If remitting by certificate, mail to:

Office of State Controller John Chiang
Unclaimed Property Division
P.O. Box 942850
Sacramento, California 94250-5873

The SCO does not participate in dividend reinvestment plans. Earnings shall not be credited to a dividend reinvestment plan. The SCO will no longer accept dividend reinvestment plans in book entry form. Holders must close out the individual owner's account by either converting the whole shares to certificate form and cashing out the fractional shares, or by transferring the shares to the SCO contracted broker via DTC.

When reporting and remitting dividend reinvestment plans, the unclaimed property report must indicate for each individual owner the number of whole shares and the amount of cash in lieu of fractional shares that are due each owner. To remit and report the dividend reinvestment shares:

- Convert each owner's dividend reinvestment account to whole shares and register the shares in the name of the State Controller. The whole shares must be included in the "Current Shares" field for each owner on report form UDS-1. (For NAUPA Reporting, include the whole shares in the "PROP-NUMBER-OF-SHARES" field. For life insurance companies using the Diskette Reporting Program, include the whole shares in the "Number of Shares Reported" field. For Life Insurance Companies using the Magnetic Media Reporting, include the whole shares in the "TR-REPORTED-SHARE-CNT" field.)
- Each owner's fractional shares must be cashed out, and the cash proceeds included in the "Cash to Report" field on report form UDS-1. (For NAUPA Reporting, include the cash proceeds in the "PROP-AMOUNT-REPORTING/REMITTED" field. For life insurance companies using the Diskette Reporting Program, include the cash proceeds in the "Property Amount" field. For life insurance companies using the Magnetic Media Reporting, include the cash proceeds in the "TR-PROPERTY-REMITTED-AMT" field.

Upon delivery of securities to the SCO, the holder and any other person acting for or on behalf of the holder in transferring the security shall be relieved from all liability of every kind to any person, including but not limited to any person acquiring the original security issued to the SCO, for any losses or damages resulting to that person by the issuance and delivery to the SCO of the duplicate certificate.

Once the securities have been delivered to the SCO broker, or certificated in the name of the State Controller, State of California, the holder is not allowed to transfer any shares out of the SCO account without prior written consent of the Controller.

Remitting Mutual Funds

Escheated open-end mutual fund shares shall be transferred to the SCO's contracted broker via direct registration at fund with First Clearing, LLC as dealer (participant #0141):

STATE OF CALIFORNIA
STATE CONTROLLER'S OFFICE
P. O. BOX 942850
SACRAMENTO, CA 94250-0001
Further credit to BIN #63827250
Tax ID #68-0322976

If the STATE OF CALIFORNIA, STATE CONTROLLER'S OFFICE does not have an existing account in that particular family of funds, contact Tim Johnson at (916) 443-4493 to obtain the information needed by the agent to open a new account.

The SCO requires remitters of unclaimed property to provide a list of issues using the Securities Summary form (SS-1, rev 01/08). This form can be found at: <http://www.sco.ca.gov/col/ucp/forms/ss-1.xls> and must accompany the Holder Remit Report. Please note, the SS-1 is not required when submitting

Holder Notice Report.

If the mutual funds are being delivered electronically, remitters are also required to e-mail the SS-1 form to the SCO at: ucpdtcss1@sco.ca.gov and to the SCO broker at calif.statemail@wachoviassec.com at least 48 hours prior to transfer. ***The SCO broker will reject the security transfer without proper notification.*** The transfer must take place within seven days of the email notification to the SCO's broker. For any transfer not completed within the seven-day period, a new SS-1 form must be submitted, listing only those securities not previously transferred. Once the holder has filed the annual Unclaimed Property Holder Remit Report and the mutual fund shares have been transferred to an account registered to the Controller of the State of California, ***the holder is not allowed to transfer any shares from the State's account without prior written consent from the State Controller.***

Reciprocity

Holders can no longer report property for owners with a last known address in California to other states. Under the California law, unclaimed property owners must be notified by the State of California that property has been reported that will escheat to the State unless they contact the holder to prevent the transfer of that property. This requirement of the law cannot be met if the holder reports the property to another state. The holder must follow California reporting instructions and report California property directly to California. Similarly, because California now has different remit due dates from the other states, holders should report property for owners with last known addresses in another state directly to the other state.

Negative Reports

Organizations that neither hold nor owe unclaimed property are not required to submit a report, although it is recommended that they do so by completing and filing UFS-1 form (Rev. 01/08) only. The State Controller's Office can require the filing of such a report by sending notification to the holder.

Holder Reimbursement Requests

If a holder reimburses a reported owner after property has been delivered to the SCO, the SCO will reimburse the holder. The SCO will process the holder's claim for reimbursement only after the report has been uploaded and reconciled by the SCO.

To enable processing of a reimbursement request in a timely manner, holders must provide and complete the request as described below.

- Include a Holder's Claim for Reimbursement (HCR-1) form. The HCR-1 form is located at <http://www.sco.ca.gov/col/ucp/holder/rptgformats.shtml>. Instructions for completing the form are listed on page 2 of the form.
- All HCR-1 forms must contain an original signature.
- Handwritten or faxed forms are not acceptable.
- **All** HCR-1 forms for accounts \$1,000 or greater must be notarized.
- **All** reimbursement requests for securities or safe deposit boxes must be notarized.
- **All** requests must be accompanied by a letter of authorization. The letter must be on the requesting holder's letterhead and must contain the names of each individual authorized to request reimbursement of properties. The State Controller's Office will maintain the letter of authorization on file if the holder requests that it be saved.
- A copy of the original Unclaimed Property Face Sheet (UFS-1 form) must be submitted with each reimbursement request. This will identify the specific report involved with the request.
- All documents should be mailed to the following address:
Office of the State Controller
Unclaimed Property Division
Bureau of Consumer Services
P.O. Box 942850
Sacramento, California 94250-5873

CCP Section 1560(b) requires all holders requesting reimbursement to provide proof of payment, along with the letter of authorization and HCR-1 form. (Holders must provide this proof of payment, as well as proof that the claimant was entitled to the payment, for any reimbursement request involving pre-payment to a claimant.) To determine what documentation constitutes proof of ownership, read the instructions on page 2 of the HCR-1 form. When seeking reimbursement for payment of a negotiable instrument (including check, money order, cashier's check, or traveler's check), the holder must include proof that the instrument was duly presented to the holder and that payment was made to the person who appeared to be entitled to the payment. Holders may provide a system-generated document showing re-activation of an account.

Proof of payment is not required for reimbursements that occur as a result of an overpayment.

No interest shall be payable on any claim paid under CCP Section 1540(c).

Instructions for Completing Report Forms

Only authorized forms provided by the State Controller's Office to prepare the report will be accepted. ***The UFS-1 form (Rev. 01/08) is a required document for all reports.*** Paper reports are allowed only when the holder is reporting less than 50 properties and must contain forms UFS-1 (Rev. 01/08) and UDS-1. Paper reports submitted with 50 or more owners will be returned to the holder to submit in an electronic format as prescribed by the SCO. For free unclaimed property reporting software, please see the [National Association of Unclaimed Property Administrators' \(NAUPA\) website](http://www.naupa.org). For details on completing the UDS-1 form, please refer to the Paper Reporting Instructions for Holders of Unclaimed Property. Reports including remittance of securities must also include a SS-1 form.

All forms may be found at:

<http://www.sco.ca.gov/col/ucp/holder/rptgformats.shtml>

The SCO accepts and recommends the Standard NAUPA II format. But the CA NAUPA II and the CA Magnetic Media (Diskette Reporting Program) formats will only be accepted for life insurance companies through the December 1-15, 2008 remit reporting cycle.

Face Sheet: Form UFS-1

The Universal Holder Face Sheet (UFS-1, Rev. 01/08) must be completed and submitted with all reports. **Be sure to check the appropriate box at the top of the page to indicate the due date for either the Holder Notice Report or the Holder Remit Report, whichever is being submitted.**

SECTION A: Holder Information

Federal Employer Identification Number (FEIN)

Do not add agent information here. Enter the holder's Federal Employer Identification Number (FEIN). Do not use the holder's state identification number.

Branch Number

Enter the branch number of the bank that the EFT is being generated from, if applicable.

Report As Of Date

The "Report As Of Date" must be either June 30 or the date of the holder's fiscal year-end. If the fiscal year end date falls between January 1 and June 30, the report is due before November of the same year. If the fiscal year end date falls between July 1 and December 31, the report is due before November 1 of the following year. "The Report As Of Date" for life

insurance companies and insurance corporation demutualization or reorganization proceeds is December 31 (CCP 1530 (d)).

EFT Debit Ref Number (Remit Report only)

Enter the EFT reference number. Participation in the EFT program is on a volunteer basis for any amount under \$20,000. There is no minimum amount. However, if the report is \$20,000 or more, holders are required to remit through the EFT process. Please note this entry is only required on the Holder Remit Report, due between June 1st and June 15th (or between December 1st and December 15th for life insurance companies).

Section B – Report Completion Contact

Enter the holder name and contact information of the person responsible for completing the report. This contact will be used by the SCO to contact the holder with questions regarding the report.

Do not add agent information in this section. Enter agent information in Section D.

For demutualized companies and related organizations, place the word DEMUTUALIZED at the end of the holder name.

Example: The Adam Insurance Company DEMUTUALIZED

Section C – Property Owner Contact

Recent legislation requires that the SCO send a notice to all owners with accounts valued at \$50 or more prior to the transfer of property from the holder to the SCO. This contact information will be printed on notices to property owners.

If this section is left blank, the contact information provided in Section B be will be used for both purposes. Please note that a second holder contact is not required on the Holder Remit Report.

Do not add agent information in this section. Enter agent information in Section D.

Section D – Holder Agent Contact

If the report is completed by an agent, enter the agent's name and contact information.

Section E – Prior Holder Name

If the present holder is the successor to a previous holder, list the prior holder's name. If the present holder has had a name change, list the holder's previous name.

Section F – Holder Report Totals

Enter the total dollar amount of all accounts listed on the report.

Enter the total reported shares, units or bonds listed on the report. This number must be extended to the fourth decimal place. Please note that on the Holder Notice Report, the "reported" totals should be shown, and on the Holder Remit Report the "remitted" totals should be shown.

Check yes or no to indicate if the report contains a safe deposit box or safe keeping repository.

Section G – Holder Business Information

Enter the holder's type of organization, state and date of incorporation, four digit NAICS* code, and charter type and date.

*Note: The National American Industry Classification System (NAICS) replaced the Standard Industrial Classification (SIC) system in 1997. To learn more about the NAICS codes, see <http://www.census.gov/epcd/www/naics.html>

Section H – Demutualization Proceeds

For reports that include unclaimed proceeds from the demutualization of an insurance company, complete section H on the UFS-1 form. Place the word DEMUTUALIZATION after the name of your company in Section B.

The following special instructions apply to reports that include unclaimed proceeds from the demutualization of an insurance company:

1. check the first box to indicate that demutualized property is being reported,
2. provide the date of the demutualization, and
3. check the box for the appropriate escheat criterion for properties being reported.

Section I – Verification

The UFS-1 form (Rev. 01/08) must be signed by an authorized individual. The form does not require a signature before a notary public. ***Please note that the UFS-1 form (Rev. 01/08) now includes an affirmation stating that all accounts not included on the Holder Remit Report, which were included on the Holder Notice Report, are absent only due to either reactivation or reunification of property with the owner.***

Securities Summary: Form SS-1

The Securities Summary form (SS-1) must be completed when reporting/remitting securities on the Holder Remit Report only. ***Please note the SS-1 form has been revised as of 05/08.***

Holder Name

Enter the name of the holding company.

Holder FEIN

Enter the holder's Federal Tax Identification Number.

Remitter Name

Contact Name, Phone & E-mail

Enter the holder contact information of the person responsible for completing the report. This contact will be used by the SCO to contact the holder with questions regarding the report.

Report ID Number

This identification number can be found in the letter received from the SCO reminding the holder when to submit the Holder Remit Report.

Report Due

Enter the report due date. Please note that the Holder Notice Report is due prior to November 1 (or May 1 for life insurance companies). The Holder Remit Report is due between June 1 and June 15 of the following year (or December 1 through December 15 for life insurance companies).

Reporting for Year

Enter the year for the report you are submitting (i.e. 2007 for reports due prior to November 2007).

Reported CUSIP Number

Enter the CUSIP number listed on the security.

Reported Security Name

Enter the name of the security.

Security Type

Enter the correct code for the type of security being reported. Please note that for mutual funds, this section should be left blank. The applicable codes are:

- B = Bonds
- C = Common Stock
- D = Debentures
- P = Preferred Stock
- R = Rights

U = Units

W = Warrants

Security Series

Enter the security series.

DTC Shares & TE/Mutual Fund Shares

Enter the total number of shares, units, bonds, etc. being reported or remitted.

Appendix

Escheat Periods

California Unclaimed Property Law

<u>Section</u>	<u>Description</u>	<u>Period</u>
1513(a)(b)	Savings, Matured Time Deposits, Demand Deposits (Checking), NOW, plus Interest or Dividends	3 years
1513(c)	Traveler's Checks	15 years
1513(d)	Written Instruments/Cashier's Checks (Banking and Financial Assns.)	3 years
1513(e)	Money Orders	7 years
1513(f)	IRAs, Keogh Plans	3 years
1513(g)	Wages, Commission	1 year
1514	Safe-Deposit Boxes, Safekeeping Repositories	3 years
1515	Funds Held by Life Insurance Companies	3 years
1515.5	Demutualized or Related Reorganization (see Statute)	Varies
1516	Stocks, Dividends, Profit Distributions, Interest	3 years
1517	Liquidating Distributions	6 months
1518	Funds Held by Fiduciaries, Agents	3 years
1519	Funds Held by Government or Governmental Agencies	3 years
1519.5	Ordered Refunds	1 year
1520	Misc. Property Held in Normal Course of Business	3 years
1521	Employee Benefit Trust Distributions	3 years